

Fiscal Note



Fiscal Services Division

<u>SF 367</u> – Floodplain Urban Conservation Standards (LSB2143SV)

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Fiscal Note Version – New

Description

The Bill encourages cities and counties to implement practices that will reduce the adverse affects from severe flooding.

Background

The Bill makes the following changes:

- Prohibits a city or county from receiving public funding or tax increment financing for any
 vertical infrastructure project unless the project incorporates storm water management
 standards.
- Requires the Department of Administrative Services and the Board of Regents to incorporate storm water management standards for projects beginning construction on or after July 1, 2010.
- Requires the Department of Natural Resources (DNR) and the Department of Agriculture and Land Stewardship (IDALS) to adopt storm water management standards.
- Requires counties and cities that have a flood insurance map or a flood hazard boundary
 map published by the Federal Emergency Management Agency (FEMA) with identified
 special flood hazards areas, to participate in the National Flood Insurance Program prior to
 July 1, 2010. The DNR will provide assistance to the cities and counties.
- Requires individuals owning an insurable structure in a 500-year flood plain to obtain insurance against flood damage, prior to July 1, 2010. Individuals that fail to comply will not receive financial flood disaster assistance from the State.
- Specifies projects funded by the Watershed Improvement Review Board Fund will include projects for the prevention and mitigation of floods within a watershed.
- Makes changes to the membership of the Water Resources Coordinating Council and amends the duties of the Council to include flood mitigation. Requires the Council to develop recommendations for policies and funding for promoting a watershed management approach to reduce future flooding.

Assumptions

The DNR estimates the following costs to implement requirements of this Bill:

- A Program Coordinator to work with stakeholders to develop storm water management standards. The estimated cost is \$100,000 for salary and benefits.
- The DNR estimates there are 450 cities without national flood insurance and estimates the hours to work with each city is 20 hours for a total of 9,000 hours. This would require 4.00 FTE positions.
- The DNR also estimated there are 330 cities that will need assistance in acquiring a waiver and estimates this will require 10 hours to work with each city for a total of 3,300 hours. This would require 1.50 FTE positions.

• The DNR estimates the cost for support, travel, and other expenditures at \$25,000 for FY 2010 and \$2,000 for FY 201.

The Emergency Management Division in the Department of Public Defense estimates that this Bill would eliminate the State matching funds for FEMA disaster recovery projects. Currently, funding for a local disaster project is funded with 75.0% federal funds, 10.0% State funds, and 15.0% local funds. This Bill would eliminate State funding for cities and counties that do not adopt storm water management standards and the local match would go from 15.0% to 25.0%.

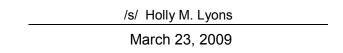
The lowa League of Cities estimated there would be administrative costs for implementation of the Bill related to adopting storm water management standards, obtaining flood insurance, and implementing a flood hazard ordinance, however, the amount could not be quantified.

Fiscal Impact

Senate File 367 is estimated to increase General Fund expenditures by \$675,000 and 6.50 FTE positions in FY 2010 and \$202,000 and 2.00 FTE positions in FY 2011.

Sources

Department of Agriculture and Land Stewardship Department of Natural Resources Department of Public Defense, Emergency Management Division Iowa League of Cities



The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the correctional and minority impact statements were prepared pursuant to <u>Section 2.56</u>, <u>Code of Iowa</u>. Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.